

# **Exhibit E**

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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In re : Chapter 11 Case No.  
: :  
**MOTORS LIQUIDATION COMPANY, et al.,** : 09-50026 (REG)  
f/k/a General Motors Corp., et al. :  
: :  
Debtors. : (Jointly Administered)  
: :  
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**DISCLOSURE STATEMENT FOR  
DEBTORS' AMENDED JOINT CHAPTER 11 PLAN**

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Possession

Dated: New York, New York  
December 8, 2010

## **MOTORS LIQUIDATION COMPANY, ET AL.**

### **DISCLOSURE STATEMENT**

*Opening Statement of Net Assets (Liabilities) of the  
Debtors and Trusts*

**Opening Statement of Net Assets (Liabilities) of the Debtors and Trusts**  
**As of December 31, 2010**  
**(UNAUDITED)**

*(All amounts in millions unless otherwise noted)*

See Projection Notes and Assumptions

	Opening <u>Balance [1]</u>	Transferred To/Remaining With:			
		Asbestos <u>Trust [2]</u>	GUC <u>Trust [3]</u>	ERT [4]	MLC [5]
<b>Assets</b>					
Cash and cash equivalents [6]	\$ 738	\$ 2	\$ 57	\$ 447	\$ 124
Other current assets					
Retainers paid to professionals [7]	21	-	-	-	21
Administrative Funding Reserve Account [8]	-	-	-	40	-
Cushion Funding Account [9]	-	-	-	68	-
<b>Total current assets</b>	<b>\$ 759</b>	<b>\$ 2</b>	<b>\$ 57</b>	<b>\$ 555</b>	<b>\$ 145</b>
Property, plant, and equipment [10]	120	-	-	120	-
New GM securities [11]	-	-	-	-	-
Restricted cash [12]	68	-	-	68	-
<b>Total assets</b>	<b>\$ 947</b>	<b>\$ 2</b>	<b>\$ 57</b>	<b>\$ 743</b>	<b>\$ 145</b>
<b>Liabilities</b>					
Debtor-in-possession financing [13]	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued professional fees and accounts payable [14]	66	-	-	-	66
Accrued secured, administrative and priority claims [15]	25	-	-	-	25
Environmental liabilities [9]	440	-	-	413	27
Liabilities subject to compromise [16]	38,500	1,800	36,700	-	-
<b>Total liabilities</b>	<b>\$ 39,031</b>	<b>\$ 1,800</b>	<b>\$ 36,700</b>	<b>\$ 413</b>	<b>\$ 118</b>
<b>Net assets (liabilities)</b>	<b>\$ (38,084)</b>	<b>\$ (1,798)</b>	<b>\$ (36,643)</b>	<b>\$ 330</b>	<b>\$ 27</b>

Opening Statement of Net Assets (Liabilities) of the Debtors and Trusts  
Projection Notes and Assumptions  
(UNAUDITED)

1. The Opening Statement of Net Assets (Liabilities) for the Debtors and Trusts is based upon the Debtors' estimates of the results of operations of the Debtors' estates through December 31, 2010, the assumed Effective Date of the Plan, adjusted for payments made to the DIP Lenders and, for the purpose of preparing these Projections, the cancellation of the remaining DIP Credit Agreement facility to the extent outlined in the Plan.
2. In addition to funding the Asbestos Trust with the Asbestos Trust Assets, the Asbestos Trust will be funded with \$2 million for its initial administrative costs. All asbestos personal injury claims will be channeled to the Asbestos Trust. Any operating costs associated with the administration of the Asbestos Trust greater than the initial \$2 million cash funding will be funded from the Asbestos Trust Assets.
3. The cash and cash equivalents contributed to the GUC Trust represent the amount forecasted to cover professional fees to liquidate any Disputed General Unsecured Claims as of the Effective Date, prosecute and defend litigation matters currently involving MLC, and satisfy all other costs associated with administering the GUC Trust, including maintaining communications with stakeholders, trustee fees, the cost associated with distributing New GM Securities, audit and tax functions, and completion of any remaining tax returns and dissolution activities associated with MLC. Any funding requirements of the Avoidance Action Trust are assumed to be the responsibility of the GUC Trust and no separate projections are included related to the Avoidance Action Trust. No valuation has been made of the contingent asset in the Avoidance Action Trust.
4. The cash and cash equivalents contributed to the ERT include amounts for the Minimum Estimated Property Funding Account, Reserve Property Funding Account, Long Term OMM Property Funding Account, Cushion Funding Account, Administrative Funding Account, and Administrative Funding Reserve Account as provided in the Environmental Response Trust Consent Decree and Settlement Agreement ("Settlement Agreement"). In addition, certain property, plant and equipment and restricted cash will be contributed to the ERT. The proceeds from asset sales and restricted cash releases will be utilized to fund ERT activities. Certain environmental liabilities as outlined in note 9 below will also be transferred to the ERT.
5. MLC's post-Effective Date functions will primarily include payment processing relating to accounts payable and accrued and unpaid professional fees as of the Effective Date, resolving and paying any remaining secured, administrative and priority claims, providing and paying for transition services to the ERT and GUC Trust, preparing and filing of tax returns, and performing other administrative duties relating to the wind down and dissolution of the Debtors. The excess of assets over liabilities in the opening statement of Net Assets (Liabilities) is estimated to be \$27 million. This excess is available to pay administrative expenses of the Debtors incurred after the Effective Date. To the extent the excess funds are not used, the balance will be returned to the DIP Lenders.
6. Cash and cash equivalents represents cash and investments in U.S. Treasury or U.S. Treasury backed securities with a maturity of 15 years or less.
7. Retainers paid to professionals represent amounts paid to professional firms as security for services rendered in conjunction with the Debtors' bankruptcy. It is assumed that the amounts will be returned to MLC in conjunction with settling any remaining balances due to these professional firms after the Effective Date and prior to MLC's dissolution.
8. The Administrative Funding Reserve Account includes funding held by the ERT in a separate dedicated account as outlined in the Settlement Agreement.

9. The Environmental Liability, consistent with the Settlement Agreement, is comprised of the following components (excluding any other environmental unsecured claims):

	Amount (in millions)
Required funding per the Settlement Agreement for:	
Minimum Estimated Property Funding Account	\$ 295
Reserve Property Funding Account	52
Long Term OMM Property Funding Account	<u>84</u>
Total funding prior to adjustments	\$ 431
Reduction for expected costs to be incurred by the Debtors from July 1, 2010 to December 31, 2010 as provided for in the Settlement Agreement	<u>(18)</u>
Estimated environmental liabilities expected to be transferred to the ERT	<u>\$ 413</u>

In addition to the items noted above, the Settlement Agreement stipulates that \$68 million will be contributed to the ERT for the Environmental Cushion Funding Account. Separate from the Settlement Agreement, settlements are expected to be reached in regards to certain sites where MLC is a potentially responsible party and which are collectively referred to as the Priority Order Sites, resulting in MLC making estimated payments totaling \$27 million on or after the Effective Date.

10. The values of property, plant, and equipment are based on estimated net realizable values adjusted to reflect the Debtors' plans for disposition and available information regarding net recoverable amounts.

11. As part of the 363 Transaction, New GM issued MLC 150,000,000 shares (as adjusted) representing 10% of New GM's common stock, warrants to acquire shares of New GM common stock initially exercisable for a total of 272,727,270 of such shares (as adjusted) for a total of 15% of New GM's common stock on a fully diluted basis, and New GM or its designated subsidiaries also assumed certain specified liabilities of the Debtors. The agreements governing the 363 Transaction also provide that in the event that the estimated allowed aggregate general unsecured claims against the Debtors, as determined by the Bankruptcy Court upon the request of MLC, exceed \$35 billion, New GM is required to issue Adjustment Shares, up to approximately an additional 2% of its common stock. We have not undertaken a valuation of these securities. On November 17, 2010 New GM executed an initial public offering of common stock. The stock is traded on the New York Stock Exchange under the ticker symbol "GM". The closing price of the common stock on November 30, 2010 was \$34.20 per share.

12. Restricted cash represents cash collateral held by third parties for environmental related financial assurance including insurance, sureties and other similar types of instruments.

13. As of the Effective Date, it is estimated that the amount outstanding under the DIP Credit Agreement facility will total \$1,266 million. Of this amount, it is estimated that \$140 million will be repaid to the DIP Lenders on or about the Effective Date and, for the purpose of preparing these Projections, the cancellation of the remaining DIP Credit Agreement facility to the extent outlined in the Plan

14. Accrued professional fees and accounts payable include amounts due to professionals for services performed prior to the Effective Date, accrued sales, use and property taxes, amounts due to New GM, and amounts due to affiliates.

15. The amounts for accrued secured, administrative and priority claims represent those amounts estimated by the Debtors that may need to be paid relating to any unpaid secured, administrative and priority claims as of the Effective Date. Any funds in excess of those required to satisfy these claims will be returned to the DIP Lenders.

16. Liabilities subject to compromise represent the Debtors' estimates of known or potential pre-petition claims to be addressed in these chapter 11 cases based upon the Debtors' books and records, the Debtors' pre-petition reserves for liabilities, and the ongoing claims resolution process. Neither the total final liabilities subject to compromise amount nor the potential amounts that the liabilities subject to compromise may eventually be settled for is known at this time; however, the Debtors estimate the overall liabilities subject to compromise to be in a range of \$35 billion to \$42 billion. For illustrative purposes only, the mid-point of this expected range (\$38.5 billion) is included in the Projections of which it is assumed that \$1.8 billion will be allocated to the Asbestos Trust and the remainder of \$36.7 billion will be allocated to the GUC Trust. In the Monthly Operating Report for the month ending September 30, 2010, the Debtors disclosed a range of \$35 billion to \$42 billion as the estimate of the overall liabilities subject to compromise and recorded an amount of \$35 billion in their Statement of Net Assets (Liabilities) as their liabilities subject to compromise. The low end of the estimated range was included in the Debtors' Monthly Operating Report